

**Contact:**

Lee Putman
Vice President Sales and Marketing
Apollo Endosurgery, Inc.
512.328.9990 (o)
513.703.3230 (m)

Release October 2, 2008 8AM EDT

Apollo Endosurgery Announces 510(k) Clearance for its Flexible Endoscopic Suturing System

A robust new surgical tool for endoscopic surgical procedures

Thursday, October 2, 2008. Austin, TX—Apollo Endosurgery Inc. announced today that the FDA has cleared a 510(k) application to market its OVERSTITCH™ endoscopic suture system. This allowance opens the way for US commercial release of the product which is anticipated for late 2008.

The OVERSTITCH system is a single-use device that fits onto standard flexible endoscopes and enables physicians to place full thickness running or interrupted sutures into targeted tissues.

“Adapting suturing to a standard flexible endoscope platform is a major accomplishment” explained Dr. Santiago Horgan, Director of Minimally Invasive Surgery and the Center for the Future of Surgery at the University of California San Diego. “The OVERSTITCH system will enhance the ability to perform full thickness tissue apposition and anastomosis reliably by letting us mimic how we would suture laparoscopically.”

“The capability to suture endoscopically makes the device a valuable tool for a variety of endolumenal GI procedures,” said Dr. Jeffrey Marks, Associate Professor in the Department of Surgery at University Hospitals Case Medical Center. “The use of a tool like the OVERSTITCH system will enable the advanced endoscopist to perform more aggressive procedures such as EMR and full thickness resection.”

The OVERSTITCH endoscopic suture system is a fully disposable suturing system that allows a physician to use a standard flexible endoscope to place sutures. The device quickly mounts to common therapeutic endoscopes and is designed to safely navigate through delicate areas of the anatomy. Once at the surgical site, custom needle-suture sets—available with standard absorbable and non-absorbable materials up to 2-0 in thickness—can be loaded and reloaded without removing the device or the endoscope. The physician can then place either an interrupted or running stitch which can be secured with an included cinching device or by using the device itself to tie a surgical knot.

“The 510(k) clearance of the OVERSTITCH endoscopic suture system is a significant step towards making the benefits of endolumenal surgery a realistic therapeutic option in hospitals and clinics across the country,” said Dennis McWilliams, CEO of Apollo

Endosurgery, Inc. “This is a major milestone for the company and is a testament to Apollo Endosurgery’s continued commitment to be an innovative leader in the field of advanced minimally invasive surgery.”

About Apollo Endosurgery, Inc.

Apollo Endosurgery, Inc. develops and markets medical devices for minimally invasive surgical procedures conducted through natural orifices. These minimally invasive procedures are at the convergence of flexible endoscopy and general surgery, and include procedures inside the gastrointestinal tract (endolumenal surgery) as well as procedures that cross the lumen to the peritoneal cavity (known as transluminal surgery, or NOTES). Using a new class of Apollo’s proprietary flexible access devices and surgical tools, surgeons and gastroenterologists will be able to perform scarless interventions for the treatment of early stage cancers, obesity, and general surgical procedures in the peritoneal cavity. In addition to avoiding the scars caused by abdominal incisions, these procedures are expected to result in less pain, require less sedation, and lead to faster recovery times. Apollo Endosurgery was cofounded with the Apollo Group, a unique collaboration of physicians from the Mayo Clinic, Johns Hopkins University, Medical University of South Carolina, the University of Texas Medical Branch, and the Chinese University of Hong Kong. The company is funded by PTV Sciences and H.I.G Ventures.